



19 September 2005

Ref: #225/05

Australian Stock Exchange Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

**DRILLING REPORT, KIANA-1
(PEL 107, COOPER / EROMANGA BASINS SA)**

Beach Petroleum advises that the Century Rig 3 was released from Kiana-1 at 1800 hours (CST) on 18 September 2005. The rig will now move to the Tyinga-1 location approximately 10 kilometres south west of Kiana-1, and this well is expected to commence drilling on or about 23 September 2005.

Kiana-1 has been completed as a free flow oil producer from the Patchawarra Formation. A post completion flow rate estimated at 500 barrels of oil per day with associated gas was recorded. A short production test will be carried out during the next 2 months to further evaluate the well and plan the development.

Participants in the Kiana-1 well are:

Beach Petroleum Limited (Operator)	40.00%
Great Artesian Oil and Gas Limited	30.00%
Magellan Petroleum Australia Limited	30.00%*

* subject to commercial discovery

The time-depth chart is attached.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Hector Gordon".

Hector Gordon
Chief Operating Officer

KIANA-1

Time Depth Chart

